



COMMUNITY DEVELOPMENT COMMISSION

County of Los Angeles

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Gloria Molina
Yvonne Brathwaite Burke
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Commissioners

Carlos Jackson

Executive Director

September 30, 2003

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

Approve Exchange of Funds Between the Cities of Rancho Palos Verdes and West Hollywood (3,4) (3 Vote)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve Amendment No. 2 to CDBG Reimbursable Contract No. 70725 between the County of Los Angeles and the City of West Hollywood, presented in substantially final form, to add \$400,000 from the City of Rancho Palos Verdes, in exchange for \$230,000 in general tax revenues, pursuant to an agreement between the two cities, which will increase the amount of allocated funds from \$1,218,962 to \$1,618,962.
2. Authorize the Executive Director of the Community Development Commission to execute the contract amendment on behalf of the County of Los Angeles, to be effective following approval as to form by County Counsel and execution by all parties, through June 30, 2004.

PURPOSE OF RECOMMENDED ACTION/JUSTIFICATION:

The purpose of the action is to enable the City of Rancho Palos Verdes to transfer \$400,000 in CDBG funds to the City of West Hollywood, in exchange for \$230,000 in general tax revenue funds. The Cities of Rancho Palos Verdes and West Hollywood have executed an agreement to exchange CDBG funds for general tax revenue funds.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. A total of \$400,000 in CDBG funds previously allocated to the City of Rancho Palos Verdes will be transferred to the City of West Hollywood.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The City of Rancho Palos Verdes has agreed to transfer \$400,000, in previously allocated CDBG funds, to the City of West Hollywood, in exchange for \$230,000 in general tax revenues. The City of Rancho Palos Verdes will reduce the amount allocated to its Altamira Canyon Storm Drain Project by \$400,000, from \$699,186 to \$299,186, to fund this exchange.

The City of West Hollywood has agreed to accept \$400,000 in CDBG funds from the City of Rancho Palos Verdes. The Reimbursable Contract with the City of West Hollywood currently includes \$1,218,962 in CDBG funds. The proposed amendment will incorporate the new funds, thereby increasing the contract amount to \$1,618,962. The City of West Hollywood will use the additional funds to implement CDBG-eligible projects for low- and moderate-income persons.

The attached standard Reimbursable Contract Amendment is being presented in substantially final form, as Attachment A, and will be effective following approval as to form by County Counsel and execution by all parties.

IMPACT ON CURRENT PROGRAM:

The proposed contract amendment will enable the City of West Hollywood to administer and implement CDBG eligible projects to benefit low- and moderate-income persons, and the City of Rancho Palos Verdes to use general tax funds for City operations.

Respectfully submitted,

CARLOS JACKSON
Executive Director

Attachments: 1

ATTACHMENT A

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT WITH PARTICIPATING CITY
AMENDMENT NUMBER 2**

CITY: CITY OF WEST HOLLYWOOD

CONTRACT NUMBER: 70725

THIS AMENDMENT TO CONTRACT made this ____ day of _____ 2003, by the County of Los Angeles, hereinafter called the "County," and the City of West Hollywood, hereinafter called the "Participating City."

WITNESSETH THAT:

WHEREAS, the County and the Participating City previously entered into a Community Development Block Grant Program Reimbursable Contract with Participating City, Contract Number 70725 dated July 1, 2003; and

WHEREAS, the County and the Participating City desire to amend said Contract in order that Participating City may better implement its CDBG-eligible projects. The Community Development Commission of the County of Los Angeles implements this contract on behalf of the County.

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that said Contract Number 70725 be amended as follows:

1. **COMPENSATION AND METHOD OF PAYMENT** has been amended to show a compensation amount of one million, six hundred eighteen thousand, nine hundred sixty-two dollars **(\$1,618,962)**. This is an increase of four hundred thousand dollars **(\$400,000)** to the contract amount.
2. All other terms and conditions of said Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by the Executive Director of the Community Development Commission, and the Participating City has subscribed the same through its duly authorized officers on the day, month and year first above written.

COUNTY OF LOS ANGELES

CITY OF WEST HOLLYWOOD

BY: _____
CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____

TITLE: _____

ATTEST: _____

CITY CLERK: _____

APPROVED AS TO FORM:

APPROVED AS TO PROGRAM:

LLOYD W. PELLMAN
County Counsel

CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Deputy

BY: _____
Director, CDBG